

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated Friday, September 22, 2023 ("Letter of Offer"), which is available on the websites of the our Company, Lead Manager, Registrar to the Issue and the Stock Exchanges where the Equity Shares of our Company are listed, i.e., National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred to as "Stock Exchanges"). You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 16 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Registrar's website www.bigshareonline.com and the Company's website at www.marshallcnc.com, this Abridged Letter of Offer and Application Form for the Eligible Equity Shareholders who have provided an Indian address to the Company. You may also download the Letter of Offer from the websites of the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges, the Company, the Lead Manager and the Registrar, i.e. www.sebi.gov.in, www.nseindia.com, www.marshallcnc.com, www.kunvarji.com, www.bigshareonline.com, respectively. The Application Form is available on the website of our Lead Manager, Company and the Stock Exchanges.



MARSHALL MACHINES LIMITED

Corporate Identification Number: L29299PB1994PLC014605

Registered Office: C-86, Phase - V, Focal Point, Ludhiana 141010, Punjab, India

Contact No: +91-161-5012406, 5012407, 5019648 Email-ID: osmarshall@marshallcnc.com Website: www.marshallcnc.com

Contact Person: Ms. Gauri Agarwal, Company Secretary and Compliance Officer;

PROMOTERS OF OUR COMPANY: MR. PRASHANT SARUP AND MR. GAURAV SARUP

ISSUE DETAILS, LISTING AND PROCEDURE

RIGHTS ISSUE OF 1,01,85,000* FULLY PAID-UP EQUITY SHARES OF FACE VALUE ₹ 10/- EACH ("RIGHTS EQUITY SHARES") OF MARSHALL MACHINES LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 44.80/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 34.80/- PER EQUITY SHARE) (THE "ISSUE PRICE"), FOR AN AMOUNT UPTO ₹ 4562.88 LAKHS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 7 (SEVEN) RIGHTS EQUITY SHARE FOR EVERY 10 (TEN) FULLY PAID-UP EQUITY SHARE HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS FRIDAY, SEPTEMBER 29, 2023. (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 4.48 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" ON PAGE 269 OF THIS LETTER OF OFFER. (*Assuming full subscription.)

The existing Equity Shares are listed on National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred to as "NSE or Stock Exchange"). Our Company has received 'In-Principle' approval from NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide NSE letter dated July 28, 2023. For the purpose of this Issue, the Designated Stock Exchange is NSE.

Procedure: If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled "Terms of the Issue" on page 270 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, NSE, Lead Manager and Registrar.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on NSE. The Company is eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clause (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

MINIMUM SUBSCRIPTION

Our Promoters and Promoter Group has, vide letters dated June 15, 2023 (the "Intention Letters") informed us that they may or may not;

1. intend to subscribe to the Rights Entitlements in part or in full in as proposed in the Issue and to the extent of unsubscribed portion (if any) of this Issue;
2. renounce their Right Entitlements fully or in part in favor of any third party other than the Promoters and members of the Promoter Group;
3. apply for and subscribe to the additional Rights Equity Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
4. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto, ('SEBI (SAST) Regulations') and shall be exempted subject to fulfillment of the conditions of Regulation 10 of the SEBI (SAST) Regulations.

Minimum subscription is thus applicable for the proposed Rights Issue. Pursuant to regulation 86(2) of the SEBI ICDR Regulations in case of non-receipt of minimum subscription, all application monies received shall be refunded to the applicants forthwith, within 4 (Four) days from the closure of the Rights Issue.

INDICATIVE TIMETABLE

Issue Opening Date	Wednesday, October 11, 2023	Date of Allotment/ Initiation of Refunds (on or about)	Monday, October 30, 2023
Last Date for On Market Renunciation*	Monday, October 16, 2023	Date of credit of Equity Shares to demat account of Allottees (on or about)	Tuesday, October 31, 2023
Issue Closing Date*	Thursday, October 19, 2023	Date of listing / Commencement of trading of Equity Shares on the Stock Exchange (on or about)	Monday, November 06, 2023
Finalisation of basis of Allotment (on or about)	Wednesday, October 25, 2023		

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Note: The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on platforms of NSE are taken within the prescribed timelines, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of NSE in accordance with the applicable laws.

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.*

**Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

NOTICE TO INVESTORS

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email and physical dispatch through speed post/ courier the Letter of Offer, Abridged Letter of Offer and Application Form and Rights Entitlement Letter and other applicable Issue material (collectively, the “**Issue Materials**”) only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and speed post/courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchanges, subject to the applicable law. Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company, the Lead Manager, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“**United States**” or “**U.S.**”) or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in the Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Share and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

GENERAL RISKS

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Right Shares have not been recommended or approved by the Securities and Exchange Board of India (“**SEBI**”) nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. Investors are advised to refer ‘**Risk Factors**’ beginning on page 27 of this Letter of Offer before investing in the Issue.

Name of the Lead Manager and contact details	KUNVARJI FINSTOCK PRIVATE LIMITED Registered Office: Block B, First Floor, Siddhi Vinayak Towers, Off S.G. Highway Road, Mouje Makarba, Ahmedabad- 380051 Corporate Office: 1208-20, 12 th Floor, Summit Business Bay, Opp. PVR Cinema, Near Western Express Highway – Metro Station, Andheri(E), Mumbai - 400093 CIN: U65910GJ1986PTC008979 Contact Person: Mr. Niraj Thakkar/ Mr. Jiten Patel Tel No.: +91 79 6666 9000 +91 022 6985 0000 Email ID: mb@kunvarji.com Investor Grievance Email: MB.investorgrievances@kunvarji.com Website: https://kunvarji.com/merchant-banking/ SEBI Registration No.: INM000012564
Name of the Registrar to the Issue and contact details	BIGSHARE SERVICES PRIVATE LIMITED Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. Contact Person: Mr. Jibu John Tel No.: +91 022-62638200/22 Facsimile: 022-62638280 Email: rightsissue@bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No: INR000001385
Name of the Statutory Auditors	M/s. S. Sood & Co., Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Banker to the Issue	KOTAK MAHINDRA BANK Address: Kotak Infiniti, 6th Floor, Building No. 21, Infinity Park, Off Western Express Highway, General AK Vaidya Marg, Malad (East), Mumbai - 400 097, Maharashtra, India Tel: 022-66056588 Email: cmsipo@kotak.com Website: www.kotak.com Contact Person: Mr. Siddhesh Shirodkar SEBI Registration No.: INBI00000927
----------------------------	--

SUMMARY OF BUSINESS

Our Company engaged into the business of developing, manufacturing and marketing of Machine Tool Equipment. The business was originally founded by Mr Gautam Sarup in 1961, is a well-known brand in the Indian machine tool industry. We have started out by manufacturing high-precision bench lathes, heavy-duty lathes, and capstan lathes. However, in the last two decades, under the aegis of second-generation promoters Mr Gaurav Sarup and Mr Prashant Sarup, the Company's single-minded focus on product innovation, research and development, automation, and Industry 4.0 technologies has positioned it as a niche player in a somewhat commoditized industry. Resultantly, Our Company is currently a front-runner in the space of automated, Industry 4.0-enabled, and smart IoT-enabled CNC solution offerings to India's leading manufacturing companies. Our Company clientele is spread across numerous industries, including automobile, consumer durables & appliances, and general engineering, to name a few.

Our Company is a niche machine tool manufacturer with a single-minded focus on Affordable Automation and Industry 4.0 technologies, we has established itself as a niche customised solution provider in the Indian machine tool industry.

Our Company product philosophy is encapsulated in its Technology Trishool - the bedrock of our business and what sets us apart from the competition.

Our Company has undergone numerous transformations throughout the course of its 60+ year history to meet the changing demands of India's burgeoning machine tool market and manufacturing industries. In order to meet the evolving needs of the Indian manufacturing sector, the Company has moved its emphasis from a strict concentration on product quality to a broader emphasis on product innovation and technology. In addition, by prioritising the delivery of customised machine tool solutions over standardised machines, the Company has been able to develop competency in cutting-edge fields like automation and Industry 4.0.

For further details, please refer to the section titled "Business Overview" on page no. 84.

SUMMARY OF OBJECTS OF THE ISSUE AND MEANS OF FINANCE

Requirement of Funds

The details of Issue Proceeds are set forth in the following table:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Issue*	4562.88 [#]
Less: Estimated Issue related Expenses	55.00
Net Proceeds from the Issue	4507.88

[#]Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

[#]The Issue Size will not exceed ₹ 4562.88 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

Requirement of funds and utilisation of net proceeds

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated Deployment of Net Proceeds
1.	To meet Working Capital Requirements	1515.17
2.	Repayment of Loans	629.16
3.	Acquisition of Technology	1935.00
4.	Funding Expenditure for General Corporate Purposes [#]	428.55
	Total Net Proceeds**	4507.88

[#]The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds;

^{**}Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

Means of finance

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to rise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

MONITORING AGENCY

As the net proceeds of the Issue shall not exceed ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company. For more details, please refer to the chapter titled “Objects of the Issue” on page 64 of the Letter of Offer.

EQUITY SHAREHOLDING PATTERN OF THE COMPANY

Shareholding pattern of our Company as per the last quarterly filing as on June 30, 2023 with the Stock Exchanges in compliance with the SEBI Listing Regulations

Category of Shareholder	Pre-Issue number of Equity Shares held	Total as a % of Total Voting Right
(A) Promoter & Promoter Group	75,67,947	52.01
(B) Public	69,82,053	47.99
Grand Total	1,45,50,000	100.00

For more details, please refer to the chapter titled “Capital Structure” on page 61 of the Letter of Offer.

BOARD OF DIRECTORS

SR. NO.	NAME	DESIGNATION	OTHER DIRECTORSHIPS
1.	Mr. Gaurav Sarup	Managing Director	• NIL
2.	Mr. Prashant Sarup	Whole Time Director & CFO	• NIL
3.	Mrs. Archana Sarup	Whole Time Director	• NIL
4.	Mr. Siddhant Sarup	Whole Time Director	• NIL
5.	Mr. Satvinder Singh	Independent Director	• NIL
6.	Ms. Rita Aggarwal	Independent Director	• NIL
7.	Mr. Anil Singla	Independent Director	• NIL
8.	Mr. Surinder Bir Singh	Independent Director	• NIL

For more details, see the chapter titled “Our Management” on page 112 of the Letter of Offer.

WILFUL DEFAULTER(S) OR FRAUDULENT BORROWER(S)

Neither our Company nor our Promoters or any of our Directors have been identified as Wilful Defaulter(s) or Fraudulent Borrower(s).

FINANCIAL STATEMENT SUMMARY

A summary financial information derived from the Restated Audited Financial Statements for the Financial Year ending March 31, 2023, March 31, 2022 and March 31, 2021 are set out below:

(₹ in lakhs)

Sr. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2021
1.	Total Income from operations (net)	3699.89	6046.31	6725.15
2.	Net Profit/(Loss) before Tax and exceptional items	(918.63)	(367.60)	(58.13)
3.	Profit/(Loss) after Tax and extraordinary items	(689.20)	(311.66)	35.96
4.	Equity Share Capital	1455.00	1455.00	1455.00
5.	Reserves and Surplus	2498.06	3142.19	3447.53
6.	Net Worth	3953.06	4597.19	4902.53
7.	Basic & Diluted earnings per share	(4.74)	(2.14)	0.25
8.	Net asset value per equity share	27.17	31.60	33.69
9.	Return on Net Worth (RONW)	(4.74)	(2.14)	0.25

[#]Not Annualised

INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

1. *As the securities of our Company are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.*

The Equity Shares of our Company are listed on NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner. The company paid penalties levied by the Stock Exchange. In one instance, the company received advisory letter under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated June 26, 2023 from NSE for delayed disclosures for defaults on payment of interest / repayment of principal amount on loans from banks / financial institutions.

Our Company endeavours to comply with all such obligations/reporting requirements, there may be non-disclosures/delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchanges and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

2. Any change in the technology may render our current technologies obsolete or require us to make substantial capital investment to cope with the market.

Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. Though we are taking all the possible steps to keep our manufacturing facilities in line with the latest technology, any further upgradation in the technology may render our current technology obsolete and require us to upgrade the existing technology or implement new technology. Further, implementing new technology may require us to incur huge capital expenditure which could affect our cash flows and result of operations. However, we have R&D Department which evolves new innovations in design, process, and Six Sigma performance within the Define, Measure, Analyze, Improve, and Control (DMAIC) framework to keep us a step ahead of the competition.

3. Our inability to protect or use our intellectual property rights may adversely affect our business.

We consider our intellectual property to be one of our most valuable assets and we have registered several patents and trademarks in India and USA including through our Promoter and Promoting Group. Our business may suffer if we are unable to defend intellectual property protection for our machines. Because of the importance of proprietary technology in the machine tool industry, the Company makes active use of patents to protect its technology innovations. The success of the Company's business is highly dependent on its ability to enforce patent protections. Patents may not provide the protections as envisaged, patents may be invalidated. Our Company may lack the financial resources to enforce patents, all undermining the competitive advantage purported to be provided by patents. In addition, the Company's business involves a substantial risk of overlap with third party patents and subsequent litigation with competitors or patent-holders. Any claims, with or without merit, could be time-consuming, result in costly litigation, cause the Company to enter into licensing agreements or otherwise force the Company to change its business practices.

For details, please see "Business Overview – Intellectual Property" on page 108 of this Letter of offer.

4. Our Company has incurred losses in the recent past. Any losses in the future may have a significant adverse impact on our financial condition and may lead to further erosion of our net worth.

Our Company has reported a loss of ₹ 689.20 Lakhs and ₹ 311.66 Lakhs in Fiscal 2023 and Fiscal 2022 respectively, which was primarily due to fall in sales. Our Company may incur losses in the future for a number of reasons and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown events. If our Company incur losses in the future or unable to generate sufficient revenue to meet our financial targets or unable to have sustainable positive cash flows, investors could lose its investment and the market price of our Equity Shares could suffer.

5. Our inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations, financial condition and cash flows.

Our business depends on our estimate of the demand for our products from distributors. We estimate demand for our products based on market projections and past sales. If we overestimate demand, we may purchase more raw materials and manufacture more products than required. If we underestimate demand, we may manufacture fewer quantities of products than required, which could result in delayed or nonfulfillment of purchase orders resulting in loss of distributors, goodwill and business. If we under stock one or more of our products, we may not be able to obtain additional units in a timely manner, which could also adversely affect our goodwill and results of operations. In addition, if our products do not achieve widespread acceptance or our distributors change their procurement preferences, we may be required to incur significant inventory markdowns or may not be able to sell the products at all, which would affect our business, results of operations and financial condition. As such, our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations, cash flows and financial condition.

For further details, see the section "Risk Factors" on page 27 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

Details of Litigation against Company:

Sr. No.	Petitioner / Aggrieved	Brief of Case	Section / Type	Court and Case Number	Amount Involved (in ₹)
1.	Techtronics Automation, Faridabad	Supplier supplied LM Guide, Ball Screw, Coupling (Order Material) at higher than market price by influencing the purchase manager by stating the other suppliers were offering items were ingenuine. Upon discovery, the payments were halted.	Civil	-	11,63,948/-
2.	Nexco Automation Technologies Pvt. Ltd., Vadodara	Marshall purchased Turret from the supplier, but due to unavailability of required after sales service of the product, it affected the Business of Marshall to material extent. Upon discovery, the payments were halted.	Civil	-	30,95,975/-
3.	Rollmann Trading Company	Supplier supplied faulty LM guides and ballscrews (Order material) which affected the performance of the machine. Upon discovery, the payments were halted.	Civil	-	32,58,548/-
4.	Infinite Uptime India Pvt. Ltd.	New type of Sensors was sent on verbal assurance that payment would post we are able to sale the same in Market. Payments are subject to market response of the Products.	Civil	Civil Court, Sr. Division, Pune Case - 369/2021	4,09,200/-
5.	Ringfeder Power Transmission India Pvt. Ltd	Supplier supplied faulty couplings where complete replacement had to be done in the field by Marshall, causing great harassment to clients and team. Thus, the payments were halted.	Civil	-	6,08,522/-
6.	Shri Laxmi Enterprises*	As per terms of the PO the advance was non-refundable in case the customer did not take delivery of the machine as per the payment terms. The said advance is thus forfeited.	Section 138 -Criminal Dishonor of cheque	-	3,70,200/-
7.	Navyug Enterprise, Ludhiana	Due to COVID the payment of the supplier got delayed which led to filing of the case by Petitioner.	Civil	-	5,85,758/-

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Sr. No.	Petitioner / Aggrieved	Brief of Case	Section / Type	Court and Case Number	Amount Involved (in ₹)
8.	Premier India Bearings Ltd., Ludhiana	Supplier supplied Bearings (Order Material) at higher than market price by stating the other suppliers were offering items were ingenuine. Upon discovery, the payments were halted.	Civil	-	29,58,938/-
9.	Marotia Tools & Alloys Pvt. Ltd., Ludhiana	Supplier supplied Inappropriate quality of Material and thus payments were halted.	Civil	Chief Judicial magistrate, Ludhiana Case -6/2022	4,60,961/-
10.	Goodluck Engineering, Delhi	Customer ordered a very special and customised machine. Due to their loss in business did take delivery of the ready machine and as per terms of PO – the advance amount was forfeited.	Civil	-	5,99,225/-
11.	Ruchin Jindal	Commercial Dispute	Civil	Chief Judicial magistrate, Ludhiana Case – 196/2022	Not Ascertainable
12.	Wave Technologies Inc, Vimal Dudhagra	Cheque Dishonour	Civil	Civil Court, Rajkot Case - 42023/2021	2,27,740/-
13.	Nirapjit Singh	Commercial Dispute	Civil	District and Sessions Court, Ludhiana Case – 40/2019	Not Ascertainable / Case mutually Disposed
14.	JV Export	Commercial Dispute	Civil	High Court of Punjab Case – 1113/2019	Not Ascertainable / Case mutually Disposed
15.	Laxmi Factory Tools Pvt. Ltd.	Commercial Dispute	Civil	Chief Metropolitan magistrate, THC, West Delhi Case - 3327/2021	Not Ascertainable / Case mutually Disposed
Total					2,08,48,354/-

Details of Litigation against Promoters / Directors / KMPs

Civil Cases:

Name	Case Number	Section / Type	Petitioner / Aggrieved	Amount Involved (in ₹)
Gaurav Sarup	Case 856/2021 CNR:GJRJ250015882021	Summary Suit under Cpc. - Civil	Navnitbhai Ratibhai Maru	2,07,918/-
Archana Sarup				
Siddhant Sarup				
Prashant Sarup				

Criminal Cases:

Sr. No.	Name	Case Number	Section / Type	Petitioner / Aggrieved	Amount Involved (in ₹)
1.	Gaurav Sarup	42023/2021	138 of Negotiable Instruments Act, 1881 Cheque Dishonour	Vimal J. Dudhagara M/s Wave Technologies	2,27,740/-
	Archana Sarup	CNR: GJRJ0204793520221			
	Siddhant Sarup				
	Prashant Sarup				
2.	Gaurav Sarup	7638/2022	138 of Negotiable Instruments Act, 1881 Cheque Dishonour	Soni Electrical and Electronics	27,59,722/-*
	Archana Saru	PBLD030241372022			
	Siddhant Sarup				
	Prashant Sarup				
3.	Gaurav Sarup	7636/2022	138 of Negotiable Instruments Act, 1881 Cheque Dishonour	Soni Electrical and Electronics	27,59,722/-*
	Archana Sarup	PLBD030241362022			
	Siddhant Sarup				
	Prashant Sarup				

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Sr. No.	Name	Case Number	Section / Type	Petitioner / Aggrieved	Amount Involved (in ₹)
4.	Gaurav Sarup	7623/2022	138 of Negotiable Instruments Act, 1881 Cheque Dishonour	Soni Electrical and Electronics	27,59,722/-*
	Archana Sarup	PLBD030240162022			
	Siddhant Sarup				
	Prashant Sarup				
5.	Gaurav Sarup	7565/2022	138 of Negotiable Instruments Act, 1881 Cheque Dishonour	Soni Electrical and Electronics	27,59,722/-*
	Archana Sarup	PLBD0302371222022			
	Siddhant Sarup				
	Prashant Sarup				
6.	Gaurav Sarup	2206/2021	138 of Negotiable Instruments Act, 1881 Cheque Dishonour	Shri Laxmi Enterprises	3,70,200
	Archana Sarup	HRFB030193662021			
	Siddhant Sarup				
	Prashant Sarup				

* Multiple cases for single matter, are filed by the aggrieved party

Direct / Indirect Tax Liabilities on Promoter / Directors:

A.Y.	Notice/Demand Order ID	Demand Under Section	Date of Issuance	Amount of demand
2015-16	NA	139(9) Defective Notice to Siddhant Sarup	NA	Under Assessment

For details, please see “Outstanding Litigations, Defaults and Material Developments” on page 251 of the Letter of offer.

TERMS OF THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Master circular SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (Hereafter referred to as “SEBI Master Circular”) and SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, (Collectively hereafter referred to as “ASBA Circulars”), all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see “Terms of the Issue - Application on Plain Paper under ASBA Process” on page 288 of the Letter of Offer.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Terms of the Issue - Application on Plain Paper under ASBA Process” on page 288 of the Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (a) The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialised form; and (b) a demat suspense escrow account (namely, “Marshall Machines Limited - suspense escrow demat account”) opened by our Company, for the Resident Eligible Equity Shareholders which would comprise Rights Entitlements relating to (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or (ii) Equity Shares held in the account of IEPF authority; or (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (iv) Credit of the Rights Entitlements returned/ reversed/ failed; or (v) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; (vii) Eligible Equity Shareholders who have not provided their Indian addresses.

In accordance with the SEBI Master Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. Thursday, October 19, 2023 shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Terms of the Issue - Procedure for Application by Eligible Equity Shareholders Holding Equity Shares in Physical Form” on page 274 of the Letter of Offer.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 7 (Seven) Rights Equity Share for every 10 (Ten) Equity Share held on the Record Date.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 7 (Seven) Rights Equity Shares for every 10 (Ten) Equity Shares held as on the Record Date. As per SEBI Master Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 10 (Ten) Equity Shares or is not in the multiple of 10 (Ten) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 10 (Ten) Equity Shares, such Equity Shareholder will be entitled to 7 (Seven) Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 10 (Ten) Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the NSE; or (b) through an off-market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

THE LEAD MANAGER AND OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

1. On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the NSE through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the NSE under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the NSE from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from October 11, 2023 to October 16, 2023 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN INE00SZ20018 (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of NSE under automatic order matching mechanism and on 'T+1 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the NSE and the SEBI.

2. Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN INE00SZ20018 (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Additional Rights Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "*Basis of Allotment*" beginning on page 298.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors to kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renounee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Rights Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled "*Procedure for Application through the ASBA process*" on pages 285.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

The Promoters and Promoter Group of our Company, through their letters dated June 15, 2023, has undertaken that they may or may not:

1. intend to subscribe to the Rights Entitlements in part or in full in as proposed in the Issue and to the extent of unsubscribed portion (if any) of this Issue;
2. renounce their Right Entitlements fully or in part in favour of any third party other than the Promoters and members of the Promoter Group;
3. apply for and subscribe to the additional Rights Equity Shares and any Equity Shares offered in the Issue that remain unsubscribed, subject to compliance with the minimum public shareholding requirements, as prescribed under the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
4. Any acquisition of additional Equity Shares shall not result in change of control of the management of the Company in accordance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto, ('SEBI (SAST) Regulations') and shall be exempted subject to fulfillment of the conditions of Regulation 10 of the SEBI (SAST) Regulations.

In case this Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue;

Availability of offer document of the immediately preceding public issue or rights issue for inspection: Available

ANY OTHER IMPORTANT INFORMATION AS PER THE COMPANY

PROCEDURE FOR APPLICATION

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Master Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. September 29, 2023, see "*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*" on page 273.

The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Shareholders only to:

- a. E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- b. Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

- c. Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- d. E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit www.bigshareonline.com. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

1. Our Company's website at www.marshallcnc.com;
2. Registrar to the Issue's website at www.bigshareonline.com;
3. Lead Manager to the Issue's Website at www.kunvarji.com;
4. NSE Limited's website at www.nseindia.com;

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.bigshareonline.com by entering their DP-ID and Client-ID and PAN.

The Application Form can be used by the Eligible Shareholders as well as the Renounees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by:

- a. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or
- b. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see "Grounds for Technical Rejection" on page 294. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar, NSE and Lead Manager or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "Application on Plain Paper under ASBA process" on page 288.

Options available to the eligible shareholders

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
5. Renounce its Rights Entitlements in full.

Procedure for application through the ASBA Process

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Acceptance of this issue

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the NSE, and

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section "*Application on Plain Paper under ASBA processes*" on page 288.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity Share. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section "*Basis of Allotment*" on page 298.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

Application on plain paper under ASBA Process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

Application on plain paper

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- i. Name of our Company, being '**MARSHALL MACHINES LIMITED**';
- ii. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- iii. Registered Folio No./DP and Client ID No.;
- iv. Number of Equity Shares held as on Record Date;
- v. Allotment option – only dematerialized form;
- vi. Number of Rights Equity Shares entitled to;
- vii. Total number of Rights Equity Shares applied for;
- viii. Number of additional Rights Equity Shares applied for, if any;
- ix. Total number of Rights Equity Shares applied for;
- x. Total amount paid at the rate of ₹ 44.8/- for Rights Equity Shares issued in one Rights Entitlement;
- xi. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- xii. In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- xiii. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- xiv. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- xv. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- xvi. In addition, all such Eligible Shareholders are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (*the "US Securities Act"*) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (*the "United States"*) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, the Lead Manager, or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act (*hereinafter referred to as "Regulations"*), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements." In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com.

I/ We acknowledge that Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date."

Mode of payment

All payments against the Application Forms shall be made only through ASBA facility.

The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such

amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. After the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Instructions issued in this regard by the Registrar to the respective SCSB.

1. Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:

- a. Individual non-resident Indian Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company and the Lead Manager;

Note: In case of non-resident Eligible Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.

The Letter of Offer will be provided by the Registrar on behalf of our Company or the Lead Manager to the Eligible Shareholders at (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.

- b. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws;
- c. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes:

- i. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- ii. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India;
- iii. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- iv. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- v. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- vi. Non-resident Renounces who are not Eligible Shareholders must submit regulatory approval for applying for additional Rights Equity Shares;

Application by eligible shareholders holding equity shares in physical form

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit www.marshallcnc.com or www.bigshareonline.com.

Procedure for application by eligible equity shareholders holding equity shares in physical form

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than 2 (Two) Working Days prior to the Issue Closing Date;
- b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (One) day before the Issue Closing Date;
- c. The Eligible Equity Shareholders can access the Application Form from:
 1. Our Company's website at www.marshallcnc.com;
 2. Registrar to the Issue's website at www.bigshareonline.com;
 3. Lead Manager to the Issue's Website at www.kunvarji.com;
 4. NSE Limited's website at www.nseindia.com;The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at www.bigshareonline.com by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at www.marshallcnc.com.
- d. The Eligible Equity Shareholders shall, on or before the Issue Closing Date (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

IMPORTANT

Please read this Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Letter of Offer and must be carefully followed, otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "Risk Factors" on page 27 of Letter of Offer.

All enquiries in connection with this Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed 'MARSHALL MACHINES LIMITED- RIGHT ISSUE' on the envelope and postmarked in India or in the email) to the Registrar at the following address:

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093.

Contact Person: Mr. Jibu John

Tel No.: +91 022-62638200/22; **Facsimile:** 022-62638280

Email: rightsissue@bigshareonline.com

Investor grievance e-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

SEBI Registration No: INR000001385

Validity of Registration: Permanent

In accordance with SEBI Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar www.bigshareonline.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are 022-62638200/22.

This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

DECLARATION BY OUR COMPANY

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- _____ Mr. Gaurav Sarup Managing Director	Sd/- _____ Mrs. Prashant Sarup Whole Time Director and CFO
Sd/- _____ Mrs. Archana Sarup Whole Time Director	Sd/- _____ Mr. Siddhant Sarup Whole Time Director
Sd/- _____ Mr. Satvinder Singh Independent Director	Sd/- _____ Ms. Rita Aggarwal Independent Director
Sd/- _____ Mr. Anil Singla Independent Director	Sd/- _____ Mr. Surinder Bir Singh Independent Director

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

Ms. Gauri Agarwal
Company Secretary & Compliance Officer

Place: Ludhiana

Date: September 22, 2023

THIS PAGE IS INTENTIONALLY KEPT BLANK